

T-2116

Area Office - Billings

The instructions in this accounting manual for the Steer Enterprise of the Northern Cheyenne Tribe of the Northern Cheyenne Reservation, Montana, have been devised to meet section 14 of the plan of operation approved by the Assistant Commissioner, L. J. Utz, on May 4, 1953.

(Signed) Darrell Fleming

Darrell Fleming
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APPROVED:

(Signed) J. Lawson Lee
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Auth: Vol. IV, Part II
Section 105.02

MAY 12 1953

Date

ACCOUNTING SYSTEM

for the

NORTHERN CHEYENNE CORPORATE STEER ENTERPRISE

Accounting Books:-

General Journal
General Ledger

In the journal will be recorded all transactions that involve cash. Five Columns, containing space for debit and credit entries, are provided as follows:

General Ledger Account A-IIM Depositary; General Ledger Account B-IIM Operating Account ~~B-IIM Operating account~~; General Ledger Account C-Cash Reserve; and General Ledger Account D-National or State Bank and General Ledger Account.

There is further provided space for each item of the operating budget on the journal. Each item of the budget will be identified by number. Generally, separate entries will be made of each transaction, but there will be some that can be consolidated such as payrolls, grazing fees, etc. The transactions to the journal will be complete thereon so as to identify the nature and purpose of the transaction.

The General Ledger will contain the individual accounts, including the four cash accounts. A list of the various accounts that will be used will be given and discussed later.

General Ledger Account A-IIM Depositary will be used as a holding account only. All income of whatever nature shall be posted thereto as a debit entry and will be supported by receipts. Credit entries to this account will only be made in accordance with a duly approved budget for a given period. Credit entries will be supported by a journal voucher prepared by the IIM clerk covering a transfer of funds from this account to the General Ledger account B-IIM Operating account or by a check which was drawn to be deposited to General Ledger Account D-National or State Bank. The balances in this account will always balance with the IIM account N-13A

General Ledger Account B-IIM Operating Account will be used to record the amounts (debit entry supported by a journal voucher prepared by the IIM Clerk reflected by a duly approved budget for a given

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period. Expenditures through the Agency IIM account N-13⁰ will be posted as credits to this account. Such entries will be further posted to the appropriate budget item column. The balance in this account will always balance with the IIM account N-13¹.

General Ledger Account C-Cash Reserve. This account will be used to record the 25% of the net profit of the enterprise at the close of the fiscal year (see section 17 of the plan of operation).

General Ledger Account D-National or State Bank. This account will be used in the event the Manager decides to open a bank account and disburse therefrom. The debit entries to this account will be made only upon actual deposits of funds from the IIM Depository to the designated bank. Such deposits to be in accordance with the approved budget and in accordance with the plan of operation. Credit entries in this account will be supported by voucher and will be posted to the appropriate budget item column. The balance in this account will be in balance at all times with the check stub account and the bank statement (reconciled).

GENERAL LEDGER ACCOUNT COLUMN. This column, with a space provided to record the General Ledger designation, is for use only in connection with cash transactions. For instance, sale of 2 yr. old steers--the entries would be a debit to General Ledger Account A. II Depository and a credit entry to General Ledger Account HE, Steers, 2 yr. old and older. At the end of the month this column is selectively down added by General Ledger Accounts and the totals thereof posted to the proper General Ledger account.

At the end of the month this journal will be down added and the budget columns balanced to the credit columns of General Ledger account-A-IIM Operating Account and General Ledger Account D-National or State Bank. The totals of the five cash columns will be transferred to the appropriate general ledger account. The totals of the budget column which are expenses will be added together and this sum will be transferred to General Ledger Account M-Expenses-Miscellaneous. The total of the budget columns representing purchase of capital goods will be transferred to the proper General Ledger account.

The totals of the budget columns will be taken at the end of the month to make a report, copies of which will be furnished the members of the enterprise board, the superintendent, and the Area Director. Such a report will be in accordance with Exhibit "A".

The system herein described is based on the premise that every entry will be supported by a numbered document properly identified to the Enterprise.

DISBURSEMENTS. All disbursements, of whatever nature, whether paid through the IIM operating account or the National or State bank account, will be covered by a voucher. Voucher form, exhibit "B" attached hereto, is devised to contain all of the information necessary to properly record the transaction and to be a permanent record for audit purposes. The voucher properly filled out shows the payee, payee's address, description of services or articles furnished, signature of payee, budget item chargeable, number of the voucher, number and date of check, and the certification by the manager. The voucher must be signed by the payee when no invoice is furnished. If payment is to be made through the IIM account, the voucher must be prepared in duplicate, the original of which must be retained by the IIM clerk to support the disbursement. If payment is to be made through a National or State Bank, the voucher may be prepared in original only. Only one series of numbers will be assigned to vouchers for a fiscal year, regardless of the method of payment. All voucher numbers will be prefixed by NCSE. All vouchers are to be filed numerically after serving as posting media to the Journal.

In case the manager is absent or is otherwise unable due to illness, etc., to certify vouchers for payment, he must authorize his representative in writing to act in his stead. The original of such an authorization will be furnished the Superintendent of the Northern Cheyenne Agency.

COLLECTIONS. All collection of funds of whatever nature will be taken into account in the following manner:

1. Prenumbered Tribal Receipt forms (now on hand) will be issued to the remitter to receipt for all collections. The number now appearing on the receipts will be prefixed, when issued, by the letters NCSE. The receipts must be signed by the Manager. See Exhibit "C".

2. One copy of the receipt with the remittance will be immediately turned in to the Agency cashier. The retain copy of the receipt to which will be attached the Commission sales receipt will be used as posting media to the Journal General Ledger Account A-22 M Depository and the General Ledger Income account. The retain copies of the receipt will be filed numerically.

3. The agency cashier will issue to the manager an official receipt and deposit the funds in the manner prescribed by the Indian Affairs Manual of accounts. The agency IIM clerk will post the receipt to IIM Account H-13.

MISCELLANEOUS TRANSACTIONS. (One series of numbers to be used for all miscellaneous documents)

Production-calves. It will be the manager's responsibility to furnish the bookkeeper with a statement of brand tallies, properly certified. Such a certified statement numbered numerically will be used as posting media to take up the calf crop.

Promotion of Livestock. As of December 31, of each year, a document shall be prepared by the manager numbered numerically, to show the promotion of livestock to the various classes for use as posting media to the general ledger accounts.

Loss of Livestock. As loss through death, theft, etc., becomes known to the manager, he shall make a certified statement which shall be numbered numerically for use by the bookkeeper as posting media to the general ledgers. An inventory by the manager of all assets of the Enterprise is required prior to December 31 each year. If, at the time of the inventory a computed loss is determined, a certified statement which shall be numbered numerically showing such computation will be made by the manager for use as posting media to the general ledgers.

Hay Inventories. As hay is purchased the cost thereof will be a debit to this account. At the end of the haying season on the leased ranch when a settlement of the crop share is reached, the value of the Enterprise's share will be debited to this account at the average price per ton paid for purchased hay. The credits to this account will be made as the result of the December 31 inventory.

Accounts to be Used

Debit Balance Accounts.

Assets - Cash
A-IIM Depositary-N-13A
B-IIM Operating Account-N-13B
C-IIM Cash Reserve-N-13B
CA-Investments-Bonds
D-National or State Bank
Inventories of Capital Assets
G-Equipment, Trucks
GA-Equipment, Miscellaneous
HA-Cows (Inventory & Promoted)
HB-Calves, Heifer (produced)

Debit Balance Accounts.

HC-Calves, Steer (produced)
HD-Steers, yearling (inventory & promoted)
HE-Steers, 2-3-4 yrs. (inventory & promoted)
HF-Helpers, Yearling (inventory & promoted)
HG-Bulls-(card system)

HH-Steers, 1953 purchased
HI-Steers, 1954 purchases
HJ-Steers, 1955 purchases
HK-Steers, 1956 purchases

I-Horses, saddle

J-Inventories, *Hay*

M-Expenses, operating

N-Losses

O-Prepaid Grazing

Credit Balance Accounts.

Liabilities and other credits.

K-Accounts Payable
G-Operating Income
SA-Other Income
SB-Lease Income
T-Allowance for Depreciation on
Equipment
U-Allowance for Depreciation on
Bulls
V-Net Worth

Closing Accounts.

W-Profit and Loss

Cr. or Dr.

A description of each account follows:

IIM DEPOSITORY A(N-13)^A: This is a debit cash account. To this account will be posted all of the income of the Enterprise and shall balance with the Agency IIM Account N-13.

Debit with all receipts including sale of bonds whether in cash or by transfer of funds at the Agency office.

Credit this account all transfers to cover the budget or to reserve account or for disbursements by check for deposits to the Enterprise's bank account.

POSTING MEDIA: Receipts for Debits; transfer journal vouchers for credits.

IIM OPERATING ACCOUNT (N-13B) This is a debit cash account used to record the amount of the budget to be disbursed through the IIM accounts.

Debit with any or all of the budget funds transferred from N-13^A or N-13B

Credit with all disbursements from IIM Account N-13A to cover items in the budget, vouchers covering purchases, payrolls, etc.

POSTING MEDIA: Transfer journal vouchers.

IIM CASH RESERVE - C (N-13B): This is a debit cash account used to record the 25% of the net profit of the Enterprise at the close of the fiscal year.

Debit this account with 25% of the net profit of the Enterprise at the end of the year.

Credit this account with funds needed to meet emergencies and which has prior budget modification approval.
Purchase of bonds.
Transfer Journal Voucher upon approval of budget covering emergencies. Check covering purchase of obligations of U.S. Bonds.

POSTING MEDIA: Transfer Journal Voucher at end of year from General Ledger Account A-IIM Depository (N-13)^A

INVESTMENTS - OBLIGATIONS OF US-CA: This is a debit account used to record the purchase of bonds.

Debit this account with the purchase price of bonds.

Credit the account with purchase price of bonds.

Note: Should bonds when sold bring a larger sum than the purchase price, the following entries are made:

MISCELLANEOUS RECORDS TO BE MAINTAINED:

1. A leave card similar to Standard Form 1137, copy of which is attached hereto, as Exhibit "f", shall be maintained to record the leave of the Manager (see Section 13 of the Manager's Contract).
2. A leave slip file must be maintained similar to Standard Form 71, copy of which is attached hereto as Exhibit "g".
3. A file must be maintained of the assets and liabilities of the Manager as at December 31 of each year (see Section 14 of the Manager's Contract.)
4. An inventory file must be maintained by the Manager. (See Section 3 of Manager's contract)
5. A budget file containing yearly and supplemental budgets will be maintained by the Manager.
6. Files will be maintained of all financial, budget, etc. reports.
7. A file must be maintained of all Stear Enterprise Board Minutes.
8. A file must be maintained of all lease contracts and grazing permits of the Enterprise.
9. A file must be maintained of all permits issued by the Superintendent covering the sale of livestock.
10. A file must be maintained of all sealed bids, verbal bids if any, etc., on sale of livestock.
11. A file must be maintained of all audit reports of the Enterprise.
12. A file must be maintained of the Manager's Contract, the Plan of Operation, etc.